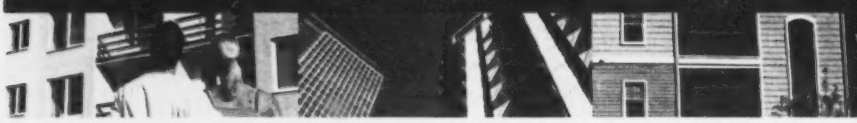
HOUSING MARKET INFORMATION

RENTAL MARKET REPORT

Manitoba Highlights*



CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Spring 2011

Figure 1

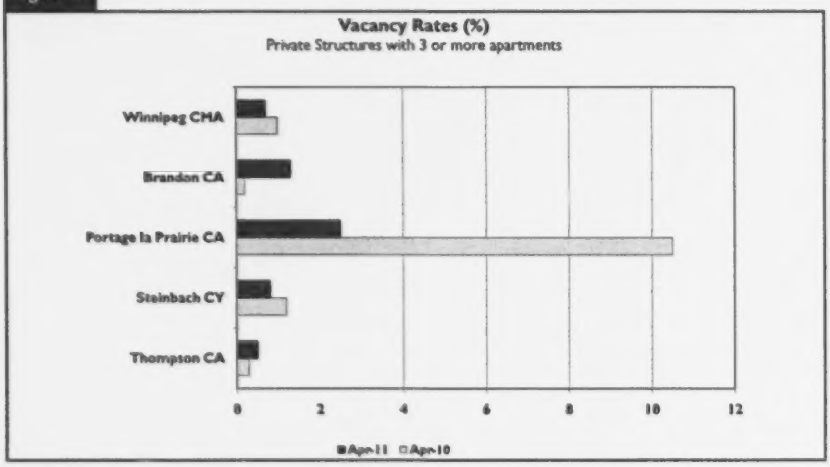
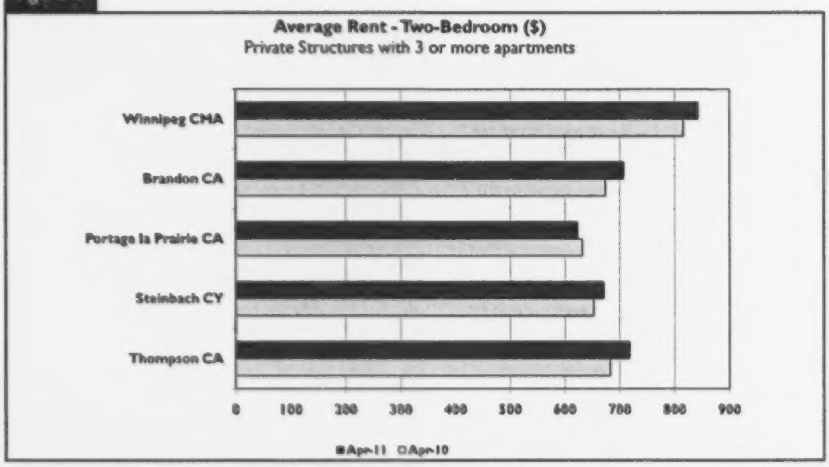


Figure 2



*Urban centres with a population of 10,000 + are included in the survey

Highlight Box

- The average apartment vacancy rate in Manitoba's urban centres was 0.7 per cent in April 2011, down slightly from 1.0 per cent in April 2010.
- In April 2011, apartment vacancy rates ranged from 0.5 per cent in Thompson to 2.5 per cent in Portage la Prairie.
- The Winnipeg Census Metropolitan Area (CMA) reported an apartment vacancy rate of 0.7 per cent in April 2011, down from 1.0 per cent in April 2010.
- The average apartment rent of urban centres was $718 per month in April 2011, ranging from $555 in Portage la Prairie to $725 in Winnipeg.

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Rental apartment vacancies edge lower in Manitoba

According to the results of Canada Mortgage and Housing Corporation's (CMHC) Spring 2011 Rental Market Survey, the average vacancy[1] in Manitoba's urban centres[2] declined from 1.0 per cent in April 2010 to 0.7 per cent this April. The vacancy rate in Manitoba was the lowest of all provinces in Canada. Demand for rental apartments remains robust across the province due to record levels of international migration and continued expansion in both employment and earnings.

The average apartment vacancy rate in the Winnipeg CMA declined from 1.0 per cent in April 2010 to 0.7 per cent this April. This represents the lowest vacancy rate recorded since the Spring rental market survey was reintroduced in 2007. Suites with three-or-more bedrooms witnessed the lowest vacancy rate of 0.4 per cent, while bachelor units had a 0.9 per cent vacancy rate in April 2011. A record 15,805 international migrants entered the province in 2010, with almost three-quarters of them landing in Winnipeg. This resulted in strong rental demand as new migrants have a high propensity to rent.

Average rents edged higher in the Winnipeg CMA this April as vacancy rates remained historically low. In rental structures common to both the 2010 and 2011 Spring surveys, rents for two-bedroom apartments in Winnipeg increased 3.2 per cent from April 2010 to April this year, while same-sample rents for one-bedroom apartments went up 3.0 per cent[3]. The Residential Tenancies Branch mandates a maximum rent increase of 1.5 per cent, though various exemptions resulted in rent increases above the guideline. For example, landlords can apply for an above guideline increase if their structure was recently renovated, while newer rental buildings and units renting above $1,120 are exempt.

Overall, one-bedroom suites in the Winnipeg CMA experienced a $24 increase in average rent to $657 monthly in April 2011. The average rent for two-bedroom suites rose by $27 to reach $843 per month in April 2011. Meanwhile, for three-or-more bedroom units, the average rent moved up $80 to $1,058 this April.

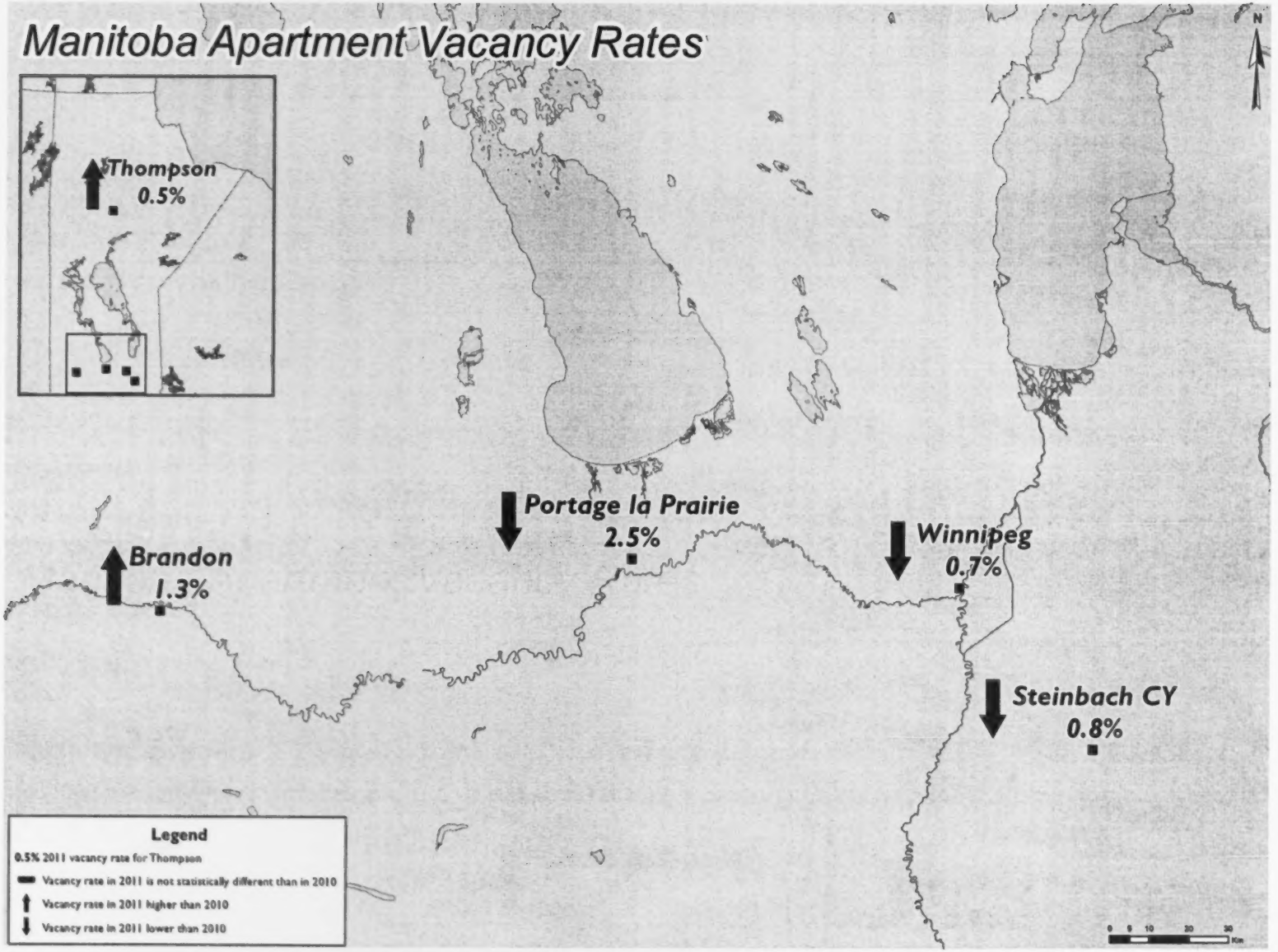
Among the province's five Census Agglomerations (CAs), Thompson had the lowest vacancy rate of 0.5 per cent in the April 2011 survey, a slight increase from 0.3 per cent the year before. Rental demand in Thompson remains strong due to economic activity in mining and construction in the region. Given the strong demand for rentals, same-sample rents for two-bedroom units in Thompson recorded the strongest gains among Manitoba's urban markets, rising 5.2 per cent over the past year. In Brandon, the average apartment vacancy rate increased from 0.2 per cent in April 2010 to 1.3 per cent in April 2011. The rise in vacancies kept the average two-bedroom rent increase to 2.5 per cent, the lowest gain for same-sample two-bedroom rents among the province's urban centres. The average vacancy rate in Steinbach was 0.8 per cent in the April 2011 survey, while the average two-bedroom rent increased 4.6 per cent.

The highest vacancy rate still occurred in Portage la Prairie, though the vacancy rate fell from 10.5 per cent in April 2010 to 2.5 per cent this April. Portage la Prairie has the smallest rental universe of the Manitoba centres and a relatively small change in the number of vacant units can cause a large variation in the vacancy rate. Same-sample rent for two-bedroom units rose 3.0 per cent in April 2011 compared to April 2010.

[1] Based on privately-initiated rental apartment structures of three or more units.

[2] Urban centres are defined as centres with a population of 10,000 or more. Census Metropolitan Areas (CMA) and Census Agglomerations (CA) are based on Statistics Canada's definition.

[3] When comparing year-over-year average rents, the age of the building needs to be taken into consideration because rents in newly-built structures tend to be higher than in existing buildings. By comparing rents for units that are common to both 2010 and 2011 Spring Rental Market Surveys, we can get a better indication of actual rent increases paid by most tenants.


Manitoba Apartment Vacancy Rates
Thompson
0.5%
Brandon
1.3%
Portage la Prairie
2.5%
Winnipeg
0.7%
Steinbach CY
0.8%
N
Legend
0.5% 2011 vacancy rate for Thompson
Vacancy rate in 2011 is not statistically different than in 2010
Vacancy rate in 2011 higher than 2010
Vacancy rate in 2011 lower than 2010

1.1.1 Private Apartment Vacancy Rates (%) by Bedroom Type Manitoba

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11
Winnipeg CMA	1.3 a	0.9 a	0.8 a	0.6 a	1.2 a	0.7 a	0.9 a	0.4 a	1.0 a	0.7 a
Brandon CA	0.0 c	0.0 c	0.4 a	0.8 a	0.1 b	1.7 b	0.0 b	0.0 c	0.2 a	1.3 a
Hanover RM	n/s	n/u	n/s	n/u	**	**	**	**	**	**
Portage la Prairie CA	**	**	**	3.3 c	9.9 c	1.4 a	**	**	10.5 d	2.5 b
Steinbach CY	0.0 a	0.0 a	0.4 a	0.0 a	1.8 a	1.3 a	0.0 a	**	1.2 a	0.8 a
Thompson CA	0.0 b	0.0 b	0.6 a	0.4 a	0.1 a	0.6 a	0.0 c	0.0 a	0.3 a	0.5 a
Manitoba 10,000+	1.2 a	0.9 a	0.8 a	0.7 a	1.2 a	0.8 a	1.3 a	0.4 a	1.0 a	0.2 a

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.2 Private Apartment Average Rents ($) by Bedroom Type Manitoba

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11
Winnipeg CMA	486 a	511 b	633 a	657 a	816 a	843 a	978 a	1,058 a	703 a	725 a
Brandon CA	417 b	446 a	525 a	549 a	674 a	707 a	929 c	923 b	629 a	658 a
Hanover RM	n/s	n/u	n/s	n/u	**	**	**	**	**	**
Portage la Prairie CA	333 d	329 b	507 b	501 a	632 a	623 a	642 a	564 b	580 a	555 a
Steinbach CY	436 a	492 a	533 a	574 a	653 a	671 a	**	**	608 a	636 a
Thompson CA	516 a	576 a	608 a	658 a	683 a	718 a	751 b	704 a	652 a	692 a
Manitoba 10,000+	484 a	509 b	628 a	651 a	796 a	822 a	959 a	1,033 a	696 a	718 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \leq cv \leq 2.5$), b- Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$), d - Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

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1.1.3 Number of Private Apartment Units Vacant and Universe in April 2011 by Bedroom Type Manitoba

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Winnipeg CMA	33 a	3,718	172 a	27,224	142 a	20,528	5 a	1,060	352 a	52,530
Brandon CA	0 c	83	8 a	1,025	33 b	1,944	0 c	102	41 a	3,155
Hanover RM	n/u	n/u	n/u	n/u	**	**	**	**	**	**
Portage la Prairie CA	**	27	9 c	272	4 a	310	**	13	16 b	622
Steinbach CY	0 a	13	0 a	244	5 a	398	**	**	5 a	662
Thompson CA	0 b	41	2 a	466	5 a	793	0 a	26	7 a	1,327
Manitoba 10,000+	36 a	3,883	191 a	29,232	190 a	23,996	5 a	1,215	421 a	58,325

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.4 Private Apartment Availability Rates (%) by Bedroom Type Manitoba

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11	Apr-10	Apr-11
Winnipeg CMA	1.7 b	1.3 a	1.3 a	1.0 a	1.7 a	1.2 a	1.0 a	0.8 a	1.5 a	1.1 a
Brandon CA	0.0 c	0.0 c	1.2 a	1.4 a	0.6 a	2.0 b	0.0 b	0.0 c	0.7 a	1.7 a
Hanover RM	n/s	n/u	n/s	n/u	**	**	**	**	**	**
Portage la Prairie CA	**	**	**	3.3 c	10.2 d	1.8 b	**	**	11.4 d	2.7 b
Steinbach CY	0.0 a	0.0 a	0.4 a	0.4 a	1.8 a	1.8 a	0.0 a	**	1.2 a	1.2 a
Thompson CA	0.0 b	0.0 b	0.6 a	0.4 a	0.1 a	0.6 a	0.0 c	0.0 a	0.3 a	0.5 a
Manitoba 10,000+	1.7 b	1.3 a	1.4 a	1.0 a	1.7 a	1.3 a	1.4 a	0.7 a	1.6 a	1.2 a

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

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1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type
Manitoba

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Apr-09 to Apr-10	Apr-10 to Apr-11	Apr-09 to Apr-10	Apr-10 to Apr-11	Apr-09 to Apr-10	Apr-10 to Apr-11	Apr-09 to Apr-10	Apr-10 to Apr-11	Apr-09 to Apr-10	Apr-10 to Apr-11
Winnipeg CMA	4.0 d	2.4 c	4.3 b	3.0 c	4.6 b	3.2 c	++	**	4.2 b	3.2 b
Brandon CA	**	**	3.5 c	2.3 b	2.2 b	2.5 a	**	**	2.7 b	2.9 a
Hanover RM	**	n/u	**	n/u	**	**	**	**	**	**
Portage la Prairie CA	**	**	**	3.8 c	4.0 c	3.0 d	**	**	3.1 c	3.1 c
Steinbach CY	9.0 a	2.5 a	3.6 a	4.6 a	0.8 a	4.6 a	**	**	2.2 a	4.4 a
Thompson CA	**	**	6.2 b	5.7 b	5.9 b	5.2 c	**	-4.9 a	7.5 a	4.9 b
Manitoba 10,000+	4.2 d	2.4 c	4.2 b	3.1 b	4.5 b	3.2 c	++	**	4.1 b	3.2 b

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
++ Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data for all sampled structures.
The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports (fall survey only). The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions.

Acknowledgement

The Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, and building superintendents throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

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